



State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

TO: State Mineral Board Members

FROM: Rachel Newman, CPA *RN*
Audit Director
Mineral Income Division

DATE: March 9, 2011

Audit Committee Meeting Agenda

A meeting of the Audit Committee of the State Mineral and Energy Board will be held on Wednesday, March 9, 2011, following the Nomination and Tract Committee Meeting, in the LaBelle Room, First Floor, LaSalle Building, located at 617 North Third Street, Baton Rouge, Louisiana.

Items on the agenda are as follows:

1. A penalty waiver request from Phoenix Exploration for a penalty in the amount of \$13,231.07 which was billed for late payment of royalty. Phoenix Exploration paid the state a total of \$85,237.21 in late royalty for the disposition dates of July 2008 through August 2009. The payment was received on November 25, 2009. This payment was not related to a field audit. Phoenix Exploration was billed and paid \$4,075.25 in interest charges and \$603.70 in penalty charges.
2. A request to place Enervest Operating, L.L.C. on demand for unpaid oil and gas royalties which were the result of a field audit.
3. Staff report to the committee that the election for March 2011 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.

The Committee may discuss matters it desires pursuant to R.S. 42:7(A)(1)(b)(ii) as well as Executive Session matters pursuant to R.S. 42:6.1(A)(2) and R.S. 42:6.1(A)(6).